



- The statute mandated that the 25% tuition surcharge be increased to 50% for all students enrolling as of the 2010-11 academic year.

Surcharge Effect on Student Enrollment Behavior

The tuition surcharge is assessed only on students who have exceeded both the credit-hour and time-limit caps; thus, S.L. 2012-142, Section 9.8 directed that this report examine the surcharge's effect, if any, on both the number of credit hours that students take prior to graduation and the amount of time students take to graduate.

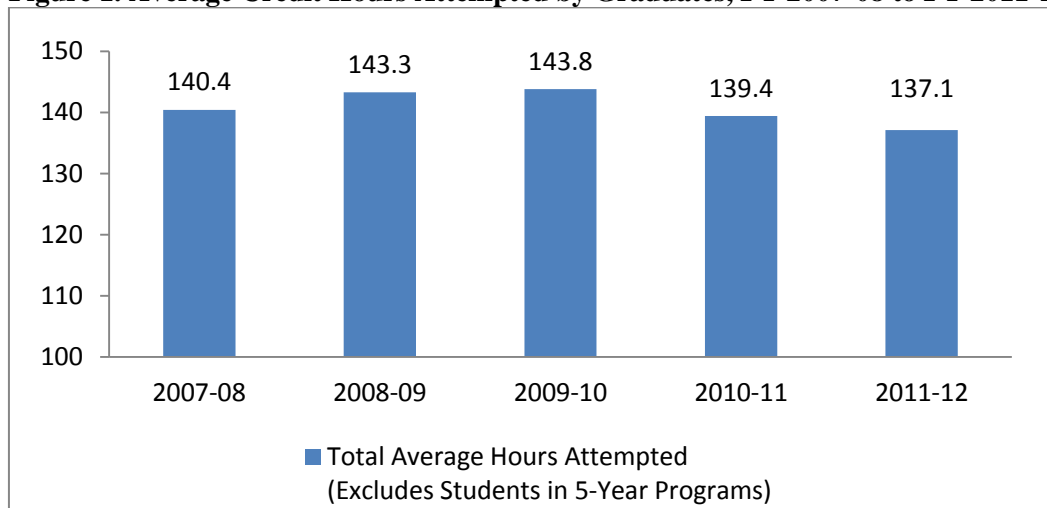
Surcharge Effect on Number of Credit Hours Attempted Prior to Graduation

The UNC System records the total credit hours attempted by graduating students; "attempted hours" include failed courses and courses from which a student withdraws after the campus's official "Add/Drop Date." Systemwide, students who graduated in 2010-11 and 2011-12 attempted a slightly reduced number of credit hours than graduates in prior years. However, because the surcharge increase from 25% to 50% is so recent, it is unlikely to have influenced this decrease; students need to begin planning early in their academic careers in order to graduate on time and within or near the typical 128 credit hours required by four-year degree programs. Thus, it may be several years before the surcharge change has any notable impact on the average number of credit hours attempted.

Figure 1 summarizes the number of credit hours that students who graduated in FY 2007-08 through FY 2011-12 attempted prior to graduation. This data:

- Includes regular term and distance education hours;
- Includes summer term hours, which are exempt from the tuition surcharge credit hour cap;
- Excludes credit hours earned thru the College Board's Advanced Placement Exam, the College Board's College Level Examination Program (CLEP), and the International Baccalaureate program; and
- Excludes credit hours attempted by students in Five-Year Programs.

Figure 1. Average Credit Hours Attempted by Graduates, FY 2007-08 to FY 2011-12



Source: The University of North Carolina General Administration, October 2012

Surcharge Effect on Time to Graduation

Per G.S. 116-143.7(b), the tuition surcharge is not assessed on students who exceed the credit-hour cap within the equivalent of four academic years of regular term (i.e., not summer session) enrollment, or within the equivalent for Five-Year Programs.